

**Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, DC 20054**

In the Matter of	)	
	)	
Cross-Ownership of Broadcast Stations and Newspapers	)	MM Docket No. 01-235
	)	
Newspaper/Radio Cross-Ownership Waiver Policy	)	MM Docket No. 96-197
	)	

**COMMENTS SUPPORTING ELIMINATION OF RULE AGAINST COMMON  
OWNERSHIP OF BROADCAST STATION AND DAILY PAPER IN SAME MARKET**

1. Norwell Television, LLC ("Norwell Television"), licensee of full-power, commercial station WWDP(TV), Norwell, Massachusetts, by its attorneys and pursuant to Section 1.415 of the Commission's rules, 47 C.F.R. § 1.415, hereby supports the proposed elimination of the rule that bars the common ownership of a broadcast station and a daily newspaper in the same market.<sup>1</sup> In short, although the cross-ownership rule may have played an important role 25 years ago by helping to ensure diversity of the media when the number of outlets was limited, the prohibition against the common ownership of a broadcast station and a daily newspaper in the same market has outlived its applicability when consumers now have virtually unlimited media sources to obtain news, entertainment, and information.

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<sup>1</sup> Specifically, 47 C.F.R. § 73.3555(d) prohibits the licensee of a full-power AM, FM, or TV station from directly or indirectly owning, operating, or controlling a daily newspaper if "(1) [t]he predicted or measured 2 mV/m contour of an AM station...[encompasses] the entire community in which such newspaper is published; or (2) [t]he predicted or measured 1 mV/m contour for an FM station...[encompasses] the entire community in which such newspaper is published; or (3) [t]he Grade A contour for a TV station...[encompasses] the entire community in which such newspaper is published." A "daily newspaper" is defined as one that is published in English four or more times a week. 47 C.F.R. § 73.3555, note 6.

2. Background. As the Commission noted in its Order and Notice of Proposed Rule Making<sup>2</sup> in this proceeding, when it adopted the cross-ownership ban in 1975, there were approximately 1,700 daily newspapers, 7,500 radio stations, and fewer than 1,000 television stations.<sup>3</sup> And the three national television networks at that time, ABC, CBS, and NBC, had a combined audience share of 95 percent.<sup>4</sup>

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<sup>2</sup> *Cross-Ownership of Broadcast Stations and Newspapers; Newspaper/Radio Cross-Ownership Waiver Policy, Order and Notice of Proposed Rule Making*, MM Docket Nos. 01-235, 96-197, FCC 01-262 (September 20, 2001) (the "NPRM").

<sup>3</sup> *Id.* ¶ 1.

<sup>4</sup> *Id.*

3. Today, the media landscape has changed dramatically. Although the number of daily newspapers has dropped to fewer than 1,500,<sup>5</sup> the number of weekly newspapers has doubled,<sup>6</sup> the cable television industry now offers 200 video programming services,<sup>7</sup> and the number of full-power broadcast outlets, as well as new media sources, has skyrocketed. According to the Commission's website, as of September 30, 2001, there were 4,727 AM stations, 8,285 FM stations, and 1,686 TV stations<sup>8</sup> – a 73 percent increase in the number of full-power commercial and noncommercial broadcast stations since 1975. Add to that the number of Class A television stations, low power television stations, television translators, and FM translators and boosters that currently are on the air,<sup>9</sup> the number of broadcast stations in 2001 is 202 percent greater than it was just 25 years ago. The number of national television networks has more than doubled, from three to seven.<sup>10</sup> And the development of alternative media outlets has markedly spiked the number of news, entertainment, and information sources available to consumers. Those new outlets include multichannel programming distributors, such as wireless cable and direct broadcast satellite services ("DBS"), which serve almost 84 percent of television households, cable television, which serves 67.4 percent

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<sup>5</sup> *Id.*

<sup>6</sup> *Id.* ¶ 15.

<sup>7</sup> *Id.* ¶ 11.

<sup>8</sup> See [http://www.fcc.gov/Bureaus/Mass\\_Media/News\\_Releases/2001/nrmm0112.txt](http://www.fcc.gov/Bureaus/Mass_Media/News_Releases/2001/nrmm0112.txt).

<sup>9</sup> See *id.* (noting that there are 424 Class A television stations, 2,212 low power television stations, 4,762 television translators, and 3,600 FM translators and boosters).

<sup>10</sup> See NPRM, ¶ 9, *supra* note 2. The national television networks include ABC, CBS, NBC, Fox, PaxNet, UPN, and WB. *Id.*

of television households, and the Internet, which serves 56 percent of all American households.<sup>11</sup>

4. Although the number of media outlets has soared since the mid-1970s, the concentration of ownership of traditional broadcast sources – full-power radio and television stations – has constricted. For example, since 1996, when the Telecommunications Act of 1996<sup>12</sup> was adopted, the number of commercial radio and television station owners has dropped by 25 percent.<sup>13</sup> And while the three existing national television networks in 1975 commanded a 95 percent prime time

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<sup>11</sup> *Id.* ¶¶ 11, 12.

<sup>12</sup> Pub. L. No. 104-104, 110 Stat. 56 (1996).

<sup>13</sup> *See* NPRM, ¶ 13, *supra* note 2. In 1996, 5,100 separate entities owned commercial radio stations; today, there are approximately 3,800 separate owners. *Id.* Also in 1996, there were 543 owners of commercial television stations; today, there are 360. *Id.*

audience share; today, the seven national television networks – together with independent television stations – barely muster a 61 percent prime time audience share.<sup>14</sup>

5. Discussion. As detailed above, the Commission's own data demonstrate that the number of sources upon which consumers can rely to access news, entertainment, and information has grown exponentially since the newspaper/broadcast cross-ownership rule was promulgated more than 25 years ago. Further, consumers now have available to them numerous media outlets that were not even in existence in 1975, including hundreds of video programming services on cable television, four new national television networks, low power television stations, wireless cable, DBS, and the Internet. In addition to the current media sources, as new technologies are created, the number of outlets will continue to climb.

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<sup>14</sup> *Id.* ¶ 9.

6. As noted above, in 1975, the three existing national television networks controlled 95 percent of the prime time audience share; today, independent television stations together with seven national television networks claim only a 61 percent prime time audience share.<sup>15</sup> At first glance, the decreasing audience shares of television stations may seem to negate the argument that media diversity is greater today than it was in 1975, the year the Commission implemented the ban on the cross-ownership of broadcast stations and daily newspapers. To the contrary, the decreasing numbers actually illustrate that more and more consumers are obtaining news, entertainment, and information from additional media sources, such as weekly newspapers, cable television, wireless cable, DBS, and the Internet – and that they are relying less and less on local television stations and daily newspapers. Thus, the greater number of media sources translates into greater diversity for consumers, and demonstrates the sharply diminished need to guard against any possible concentration of viewpoints that allegedly could arise if the newspaper-broadcast cross-ownership rule were eliminated. Further, today there are numerous sources on television which provide national and international news 24 hours a day, including CNN, Headline News, MSNBC, CNBC, FOX, The Weather Channel, and Bloomberg. And in many larger cities, there are 24-hour local television news stations, such as NY1 (New York City), News Channel 8 (Washington DC), and CLTV (Chicago). In short, no entity that owns a broadcast station and a daily newspaper in the same market would have the ability to "corner the market" in news.

7. The concentration of ownership of full-power radio and television stations also would seem to belie the proposition that media diversity would be harmed by the permitted combination of a broadcast station and a same-market daily newspaper; however, as the owner of a full-power,

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<sup>15</sup> *Id.*

commercial television station, Norwell Television would argue that the economies of scale of combining a broadcast station and a daily newspaper are not driven by consolidation of viewpoints or content, but by marketplace realities. The huge number of competitors broadcasters and newspapers face for limited advertising dollars grows each day. Having the ability to utilize the efficiencies of newspaper/broadcast combinations would enable those combined entities to compete more effectively with the growing myriad of media outlets.

8. Finally, it must be noted that a combined newspaper/broadcast entity would not necessarily limit the diversity of viewpoints it generates in the news, entertainment, and information it dispenses. To the contrary, the entity could just as easily determine that its concentration of media outlet ownership requires it to promote a greater diversity of viewpoints, or that it has the increased ability to promote more viewpoints since it does not have to exclusively cater to the largest number of potential consumers at all times; rather, it could overcome the lowest-common-denominator syndrome and target specific, smaller audiences with more socially and politically specific viewpoints.

9. Conclusion. As demonstrated above, the 1975 newspaper/broadcast cross-ownership ban has outlived its usefulness, and today's huge diversity in media sources outweighs any possible dilatory effect that the combination of a broadcast station and a daily newspaper in the same market could create. Norwell Television, therefore, respectfully urges the Commission to eliminate the ban and sanction a broadcast station to own a same-market daily newspaper.

Respectfully submitted,

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